

EXHIBIT A



CNET tech sites: [Product reviews](#) | [Shop](#) | [Tech news](#) | [Dow](#)

[Daily podcast](#) | [Hot topics](#) | [E-mail alerts](#) | [News.com E](#)

Track thousands of Web sites in one place: [Newsburst](#)

[SEARCH](#) [ADVANCED SEARCH](#)

Enterprise Hardware >> Desktops

PC shipments to rise in 2004, says Gartner

Published: February 12, 2004, 1:09 PM PST

By John G. Spooner
 Staff Writer, CNET News.com

[TalkBack](#) [E-mail](#) [Print](#) [TrackBack](#)

Happy days are here again for PC makers, at least according to one market researcher.

In its 2004 forecast, released Thursday, Gartner predicts that strong sales to consumers, along with increases in business purchases, will boost worldwide PC shipments by nearly 14 percent this year. The company said PC shipments will reach 187 million units in 2004, representing a 13.9 percent increase from 2003.

Welcome, Google user!

If this story isn't what you're searching for, try these other News.com search results for "PC"unit sales" "united states"":

- Are sizzling gadget sales cooling off?
- PC milestone--notebooks outsell desktops
- Analyst: HP should price Gateway
- Will Mac Mini spur petite-PC revolution?
- Intel seeks lift from Centrino follow-on

[More ...](#)

Higher unit sales are also expected to produce a gain of about 9.5 percent in worldwide PC revenue, for a total of about \$213 billion, Gartner predicts, even though average PC prices are expected to continue to decline by about 4.5 percent, said George Shiffler, principal analyst for computing platforms and economics research at the company.

"Basically, our view is that 2004 is going to be a pretty good year," Shiffler said, "because we think this replacement cycle is under way. We think this is going to power growth this year and into next year."

Two main factors produced Gartner's positive forecast, Shiffler said. First, consumers continue to buy new computers--with some people upgrading to new desktops to handle budding interests in digital photography or multimedia, and others making the switching to notebook PCs. Meanwhile, businesses in the United States and Europe have slowly started buying PCs again.

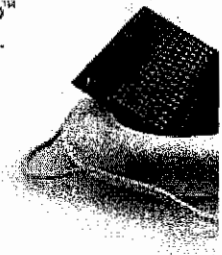
Gartner has also observed that Western European businesses have

advertisement

ThinkPad

THINKPAD T42

with Rescue and Recovery
 and Intel® Centrino™
 Mobile Technology.



Desktops resource cen

from News.com sponsors

Intel® Active Management Tech – Agility beyond the processor

Technology Brief: Discover, Heal and
 Your Networked Computing Assets
[Read this technology brief >](#)

Intel® AMT ROI Estimator: Estimate your
 Savings with Intel® AMT
[Estimate your saving with Intel AMT](#)

White Paper: Intel IT Tests Reducing IT
 Spending Through Improved Management
[Learn more in this white paper](#)

Intel® AMT Demo: Discover, Heal and
 Networked Assets
[Watch this demo now >](#)

Major ISVs Support Intel® Active Management
 Technology
[Click here to read more about ISVs who
 Intel® AMT >](#)

started replacing PCs, while consumer sales there have also picked up, thanks in part to the strong position of the Euro, Shiffler said.

Some uncertainty remains among businesses in the United States, however.

"There are still some business confidence issues, and there are certainly some employment issues that are going on that may hang things in the first quarter in the United States," Shiffler said. But "as the year progresses, we think the United States will gain more strength."

As a result, Gartner forecasts that worldwide unit shipments will jump 13.3 percent year over year in the first quarter, reaching 44 million. The second quarter could see a bump in sales as well, as U.S. consumers begin receiving tax refunds.

"There's some room for some upside surprise in the second quarter," Shiffler said.

Meanwhile, if shipments do hit the 187 million unit mark in 2004, they'll set a new record. Shipments equaled 164.2 million units during 2003, a new high versus shipments of 148.2 million units in 2002, Shiffler said.

Rival researcher IDC's latest forecast predicts that worldwide PC shipments will increase by 11.4 percent to 170 million in 2004, said Roger Kay, an analyst with the firm.

IDC will likely release its official 2004 forecast in March, Kay said.

Gartner's and IDC's forecasts differ because the two companies use slightly different methods for measuring unit shipments.

[TalkBack](#) [E-mail](#) [Print](#) [TrackBack](#)

Track this story's companies and topics

Desktops	Create alert
Notebooks and tablets	Create alert
Sales/revenue	Create alert
Earnings reports/forecasts	Create alert
Analyst reports	Create alert

[Create your own e-mail alert >](#)

Related stories

HP back on top of PC market
 January 14, 2004

2003 a banner year for PC market?
 August 14, 2003

[Get this story's "Big Picture" >](#)

From News.com Extra

[Get more news around the Web with News.com Extra >](#)

intel.

Learn more about Intel Management Technology by visiting the expanded center.

Today in News.com Extra

CNN hacks new TV technology. Ak Rock band shows fans how to crack

[Read >](#)

Top picks from News.com readers

Readers who read **PC shipments to rise in 2004, says Gartner** also read...

PC shipments growing faster than expected
 Notebooks continue shipment gains
 Gartner: PC shipments will top 200M
 IDC: Linux PC sales to hit \$10 billion
 Notebooks eke out more market share

THE PULSE Most popular headlines

- Sony says new Walkman is an iPod
- The copyright challenge in China
- Testing out the new Revolution controller
- Hacking's a snap in Legoland
- For gamers, there's a 'There' there

Also: [Most discussed and e-mailed stories](#)

Latest headlines

- Verizon, Dell team on wireless broadband
- Barracuda adds IM protection to line
- Microsoft sues more resellers in piracy case
- Copyright challenges at home and abroad
- Google invites 400 to 'off the record' event
- Oracle's open arms
- Study: E-tailers to grab \$330 billion in 2004
- Trump ring tones on call
- Oracle warms up to open source, IBM
- Microsoft acquires ID management software Alacris
- HP to pick up storage management software
- Oracle takeover spooks some Siebel employees
- HP France employees strike over jobs
- Apple planning a laptop with a camera
- HP to buy Peregrine for \$425 million

Related white papers

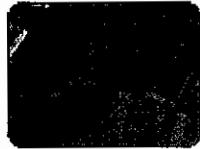
Paving the Road to a PC Refresh (Webcast)
Insight Direct
XP SP2: How Secure Will Your Company Be?
Global Knowledge Network
Windows 2003/2000/XP Security Architecture Overview
Global Knowledge Network
Managing PC Clients: Looking Beyond Day One of Your PC Client
Lifecycle
Hewlett-Packard
Tsunami Response
IBM

[More results for desktops and notebooks and tablets >](#)

Related videos



Intel launches new
branding campaign
August 25, 2005



Scientist uses digital
pen to take notes in
lab
July 28, 2005



New designs focus
on purpose
March 3, 2005

[Watch more videos >](#)

TalkBack

[Post a comment](#)

No discussion exists, [click here to start it.](#)

Latest Photo Galleries

- Photos: Look out, Humvee
- Photos: Snapshot blocker
- Photos: Microsoft's snapshot eraser

Today In NEWS.BLOG

Future tech: Military concept vehicle l
Nascar
Politics: Groups call for broadcast fla
Apple: Nano-Nano, new iPod access
Coop's Corner: IBM leads. Now who
Gadgets: Step into the illuminated bat
[Read all News.com's tech blogs](#)

• This week's headlines

▼ advertisement

Web Conferenc Made Easy



GoToMeeting™
ONLINE MEETINGS MADE EASY



CNET NEWSLETTERS

CLICK ON A TITLE BELOW TO LEARN

- ☐ News.com Morning Dispatch sample
 - ☐ News.com Afternoon Dispatch sample
 - ☐ News.com Enterprise Hardware sample
- All News.com newsletters

SPECIAL OFFERS FROM OUR PARTNERS

CLICK ON A TITLE BELOW TO LEARN MORE

- ☐ Surveys
- ☐ IT Professionals
- ☐ IT Management
- ☐ Small Business Owners

[SIGN UP NOW](#)

[Manage My Newsletters](#)

Sponsored Links

Dual-core Intel Processor

Up to \$500 off at Dell Home! Some offers end 9/21. Details.

www.dell4me.com

Gartner Research

Learn How Enterprise-Wide DSO Solutions Can Help Your Company

www.dso.com

Pentium D workstations

Powerful multiscreen workstations with dual-core Intel Pentium D CPU

digitaltigers.com

[How to advertise](#) | [Send us news tips](#) | [Contact us](#) | [Corrections](#) | [All RSS feeds](#) | [XML](#) | [News.com Extra](#)
[Site map](#) | [Linking policy](#) | [Content licensing](#) | [News.com mobile](#) | [Newsletters](#) | [E-mail alerts](#)

Featured services: **BNET: Business White Papers** | **Find tech jobs** | **Digital Living** | **Free mag. trial** | **Industry White P.**

[BNET](#) | [CNET.com](#) | [CNET Channel](#) | [CNET Download.com](#) | [CNET News.com](#) | [CNET Reviews](#) | [CNET Shopper.com](#) | [Comput](#)

[GameSpot](#) | [International Media](#) | [MP3.com](#) | [mySimon](#) | [Release 1.0](#) | [Search.com](#) | [TechRepublic](#) | [TV.com](#) | [Webshots](#)

Copyright ©2005 CNET Networks, Inc. All Rights Reserved. **Privacy Policy** | **Terms of Use**

[About CNE](#)